GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:3468
ANSWERED ON:07.09.2007
EX-GRATIA PAYMNT TO THE EMPLOYEES OF NTPC
Singh Shri Sugrib

Will the Minister of POWER be pleased to state:

(a) whether National Thermal Power Corporation Ltd. (NTPC) made payment of ex- gratia in the form of special incentive to its employees whose salary has exceeded the limit prescribed under the Payment of Bonus Act, 1965;

(b) if so, the details of payments made by NTPC during 2006-07;

(c) whether NTPC has obtained permission for making such payments;

(d) if so, the details thereof; and

(e) if not, the steps taken by the Government to check such violation in future?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) : NTPC Limited has not made any payment of Bonus / Ex-Gratia to uncovered employees under Payment of Bonus Act, 1965. However, Special Incentive is being paid to these employees.

(b) : An amount of Rs.1369.67 lakhs has been accounted as expenditure during the year 2006 − 07 towards Special Incentive.

(c) to (e) : Department of Public Enterprises (DPE) vide its Office Memorandum No.2(49)/98-DPE(WC) dated 25th June, 1999 stipulates that Central Public Sector Enterprises may make performance-related payments subject to a ceiling of 5 percent of distributable profits of the enterprise. NTPC Limited has, accordingly, made the performance related payment with the approval of its Board.